

BEFORE THE IDAHO BOARD OF TAX APPEALS

IN THE MATTER OF THE APPEAL OF JOHN) APPEAL NO. 07-A-2026
MCGOWN from the decision of the Board of) FINAL DECISION
Equalization of Ada County for tax year 2007.) AND ORDER
)

RESIDENTIAL PROPERTY APPEAL

THIS MATTER came on for hearing October 24, 2007, in Boise, Idaho before Board Member Lyle R. Cobbs. Board Members Linda S. Pike and David E. Kinghorn participated in this decision. Appellant John McGown appeared for himself. Chief Deputy Tim Tallman and Residential Appraiser Rick Stolz appeared for Respondent Ada County. This appeal is taken from a decision of the Ada County Board of Equalization denying the protest of the valuation for taxing purposes of property described as Parcel No. R9227970220.

The issue on appeal is the market value of a residential property.

The decision of the Ada County Board of Equalization is affirmed.

FINDINGS OF FACT

The assessed land value is \$100,000, and the improvements' valuation is \$256,100, totaling \$356,100. Appellant requests the land value be reduced to \$60,000, and the improvements' value be reduced to less than \$256,100, with a total less than \$356,100.

The subject property is a 3,162 square foot townhouse on .080 acre, in the subdivision of Warm Springs Hollow, located in Southeast Boise.

The Taxpayer submitted documents showing Warm Springs Hollow Association is a corporation in good standing in the State of Idaho and is the legal owner of common areas within subject's community.

Appellant explained Warm Springs Hollow is a townhome subdivision with three main common areas. One area contains a pool, hot tub, tennis courts, a basketball court, dressing

room area, showers and a parking lot. A second area contains a large grassy area with trees. The third area contained the roadways and common spaces between townhomes. A map was submitted to demonstrate the common areas.

Appellant stated each lot owner is taxed for a proportionate share of the common areas, rather than taxing the legal owner of the common area, the Homeowner's Association. The assessment notice did not specify subject was being assessed for the common areas and homeowners were not notified they were being taxed for common areas.

The taxpayer explained subject (located at 282 S. Mobley Lane) and another townhome located at 262 S. Mobley Lane ("262") sold in 2004 to unrelated third parties. In 2004, the sale price for "262" was \$250,000 and the sales price for subject was \$236,000. Appellant previously owned "262" and maintained this townhome had a much nicer interior and was in a superior location, even though it was assessed lower than subject for 2007. The assessed value of subject was \$356,100 and the assessed value of "262" was \$322,600. Appellant maintained subject assessed value should be less than the "262" property.

Respondent presented three 2006 sales for comparison to subject. Two of the sales were located in close proximity to subject. The comparable sales were approximately 1,250 to 1,340 square feet smaller than subject, as no recent sale of a like-sized townhouse in the immediate area were found. The County's "Sales Comparison Grid" illustrated adjustments made to the comparable sales for differences in total square footage, number of bathrooms, and condition in order to arrive at an indicated value for subject. The adjusted sale price per square foot ranged from \$104 to \$120. Subject was assessed for \$113 per square foot.

The County explained that market adjustments were applied to land values in subject's area during 2006 to comply with statutory market value requirements.

Respondent provided nearby land sales. The lots were between .90 and .231 acres in size and sold for between \$115,000 and \$160,000. The subject lot is .08 acres and was assessed at \$100,000.

Respondent also submitted a plat map of the entire Warm Springs Hollow complex to demonstrate the assessed values were uniform amongst similar lots.

Respondent stated residences in subject's area were purchased for a price which included the amenities/facilities that the common areas provide and therefore was included in the purchase price and also considered in the assessed value.

The County stated the 2004 sale prices for subject and the "262" property were not public information and, therefore, not used by the County in its valuation.

CONCLUSIONS OF LAW

This Board's goal in its hearings is the acquisition of sufficient, accurate evidence to support a determination of fair market value. This Board, giving full opportunity for all arguments and having considered all testimony and documentary evidence submitted by the parties in support of their respective positions, hereby enters the following.

Idaho Code Section 63-208. Rules pertaining to market value – Duty of Assessor. Rules promulgated by the State Tax Commission shall require each assessor to find market value for assessment purposes.

Idaho Code 63-201(10) defines market value:

"Market Value" means the amount of United States dollars or equivalent for which, in all probability, a property would exchange hands between a willing seller, under no compulsion to sell and an informed, capable buyer, with a reasonable time allowed to consummate the sale, substantiated by a reasonable down or full cash payment.

Appellant did not submit current sales information, appraisals or other factual information pertaining to the market value of the subject property. Appellants' case was based on a comparison of assessed values, previous sales, and the fact subject's assessed value included common areas.

The County submitted three comparable sales similar to subject to indicate values are similar after adjusting for differences in the properties. The plat map submitted by Respondent indicated land values in the subject's subdivision were uniform and other evidence demonstrated the valuations were based on comparable bare land sales. Respondent's exhibits supported subject's assessed value.

This Board finds the County Assessor did consider all of the known value factors which affected the subject property.

Idaho Code Section 63-511(4). Appeals from county board of equalization. In any appeal taken to the board of tax appeals or the district court pursuant to this section, the burden of proof shall fall upon the party seeking affirmative relief to establish that the valuation from which the appeal is taken is erroneous, or that the board of equalization erred in its decision regarding a claim that certain property is exempt from taxation, the value thereof, or any other relief sought before the board of equalization. *A preponderance of the evidence shall suffice to sustain the burden of proof.* The burden of proof shall fall upon the party seeking affirmative relief and the burden of going forward with the evidence shall shift as in other civil litigation. The board of tax appeals or the district court shall render its decision in writing, including therein a concise statement of the facts found by the court and the conclusions of law reached by the court. The board of tax appeals or the court may affirm, reverse, modify or remand any order of the board of equalization, and shall grant other relief, invoke such other remedies, and issue such orders in accordance with its decision, as appropriate. *(Emphasis added.)*

This Board finds Appellant did not prove by a preponderance of evidence that the relief claimed was warranted. Therefore, this Board finds for Ada County and will affirm the decision of the Board of Equalization.

FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the Ada County Board of Equalization concerning the subject parcel be, and the same hereby is, affirmed.

MAILED March 7, 2008